

Message Text

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ACTION EB-11

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EXCON

E.O. 11652: XGDS-1

TAGS: ESTC, COCOM, FR, UK, CH

SUBJECT: FRENCH BID FOR CHINESE AERONAUTICS MARKET

SUMMARY. LOCAL PRESS ARTICLE REPORTS FRENCH AERONAUTICAL EQUIPMENT MAKERS WILL ENTER FRANCE'S BID AT PEKING EXPOSITION, NEXT MONTH, TO COMPETE FOR SHARE OF CHINESE AVIATION MARKET WITH US AND UK. GOVERNMENT-OWNED FIRM SNECMA WILL SHOW MOCK-UP OF ITS MOST RECENT MILITARY JET ENGINE. ITS SALE TO CHINA, HOWEVER, WILL HAVE TO MEET US APPROVAL IN COCOM, SAYS ARTICLE. US IS BLAMED FOR HAVING TEMPORARILY BLOCKED SALE OF CONCORDE AIRCRAFT EQUIPPED WITH LITTON NAVIGATION SYSTEMS. END SUMMARY.

1. FRENCH AERONAUTICAL EQUIPMENT MANUFACTURERS WILL ENTER FRENCH BID FOR SHARE OF CHINESE MARKET AGAINST US AND UK COMPETITORS, REPORTS APRIL 21-22 EDITION OF PRESTIGIOUS DAILY LE MONDE. GOVERNMENT-OWNED SNECMA WILL EXHIBIT AT PEKING EXPOSITION NEXT MONTH, ACCORDING TO THE PAPER, MOCK-UP OF ITS LATEST MILITARY JET ENGINE, THE ATAR 9 K-50, WITH 7,200 KG OF THRUST, DESIGNED FOR USE WITH MIRAGE F-1 INTERCEPTOR.

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DECISION TO EXHIBIT IT REFLECTS NOT ONLY SNECMA'S

DESIRE TO DISPLAY TECHNOLOGICAL PROWESS BUT ALSO ITS LONG-TERM COMMERCIAL AMBITIONS, SAYS ARTICLE.

2. SNECMA'S INTEREST IN CHINA, IT CONTINUES, WAS AROUSED BY UK PRESENTATION OF SPEY ENGINE, WHICH POWERS TRIDENT AIRCRAFT OF WHICH 40 HAVE BEEN BOUGHT BY CHINESE. IN CONTRAST TO THE SPEY, HOWEVER, REPORTS LE MONDE, THE ATAR 9 K-50 EXISTS ONLY FOR MILITARY PURPOSES AND HAS NO CIVIL VERSION AS YET. CHINA IS SAID BY THE PAPER TO BE CONSTRUCTING SOVIET-DESIGNED MIG 19'S AND 21'S AND TO HAVE DEVELOPED ITS OWN ATTACK-INTERCEPTOR, THE F-9.

3. FRENCH AND UK SALES OF AERONAUTICAL EQUIPMENT WILL HAVE TO BE SUBMITTED, SAYS ARTICLE, DIRECTLY OR INDIRECTLY TO OPINION OF THE US, "WHICH GENERALLY FORMULATES ITS OBJECTIONS THROUGH COCOM (COORDINATING COMMITTEE FOR STRATEGIC WESTERN EXPORTS CONTROL)" (SIC). LATTER IS "CHARGED WITH CONTROLLING OR FORBIDDING THE SALES OF A CERTAIN NUMBER OF SO-CALLED STRATEGIC PRODUCTS TO COMMUNIST COUNTRIES." AS LE MONDE PUTS IT, COCOM FOR A LONG TIME CREATED OBSTACLE TO CHINESE PURCHASE OF THREE CONCORDES, A PURCHASE AGREED TO IN PRINCIPLE SINCE 1972 BUT NOT YET CONFIRMED, CONTRARY TO PROVISIONS OF THE CONTRACT. THE AMERICANS AT FIRST OPPOSED SALE TO CHINESE OF LITTON INERTIAL NAVIGATION SYSTEMS, WITH WHICH CONCORDES WERE EQUIPPED. SINCE THEN, HOWEVER, US HAS SOLD CHINA TEN BOEING 707'S AND TRAINED CHINESE TO PILOT THEM. INDICATIONS ARE, THEREFORE, THAT US OBJECTIONS WILL STEADILY ABATE, CONCLUDES ARTICLE.

4. COMMENT: IT SEEMS LIKELY THAT SOURCE OF THIS ARTICLE AND ITS DISTORTIONS WAS FRENCH, AND POSSIBLY OFFICIAL. CONSIDERING FRENCH DEL'S ANGER AND INDIGNATION OVER PREVIOUS ARTICLES IN US PRESS WHICH TOUCHED ON COCOM, WE ARE TEMPTED TO RAISE IT IN COMMITTEE. IN VIEW MENTION OF SPEY TRANSACTION, HOWEVER, WE HESITATE TO DO SO WITHOUT FIRST CONSULTING DEPARTMENT, WHOSE COMMENTS ARE REQUESTED.
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